Report of the N.C. Secretary of State

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REPORT OF SECRETARY OF STATE.

Office Secretary of State,
Raleigh, November 4th, 1873.

His Excellency, Tod R. Caldwell, Governor:

Sir—I have the honor to present to you, in accordance with law, my first annual report.

Under a resolution of the Legislature, ratified March 1st, 1873, in regard to the Public Laws of 1871–'72, I purchased of General John C. Gorman, sixty copies of those laws, and distributed the same among the eight counties mentioned in the resolution. This number was all I could purchase with the amount appropriated, one hundred and seventy-five dollars.

By section 17, chapter 45, Public Laws 1872–'73, I was instructed to sell annually, during the first week in July at public auction, after due publication of sale, such volums of the laws, documents and journals, and other matter and worthless manuscripts as may have been on hand for one year. In compliance therewith, I proceeded to sell on the 3rd day of July last, such described property, and realized the sum of two hundred and eleven dollars and three cents, which I paid into the Treasury as per vouchers filed in the

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Auditor's office. I continued the sale as long as the bidding lasted; the books and documents unsold are placed away carefully until the next sales-day.

There are a large number of old laws and journals not bound; I respectfully suggest that these be bound.

The books of record have such poor indexes that I am sometimes at considerable trouble in finding copies of grants. There are several of these books in a very dilapidated condition, and require transcribing. I desire to call your special attention to this matter, and request you to recommend to the Legislature additional clerical force, so that I may rectify this, as well as other deficiencies I have found in this office.

The mode of purchasing stationery authorizes the Secretary of State to advertise for bidders, and to let the contract to the lowest bidder. I am clearly of the opinion that a better article could be purchased, and at lower figures, if the Legislature would empower him to buy it directly, where it could be procured on the best terms. I am confidant that it could be bought in this way at a great saving to the State, and at the same time secure a much superior article.

There are many bonds of State officers, and other important papers, which I am required to keep in this office on deposit. Among them are the Acts of the Legislature before they are printed. I beg leave to call your attention to the necessity of having a large iron safe as a place of security; and desire you to recommend the purchasing of one for that purpose, as that now in use in the office is borrowed.

In accordance with an Act of the General Assembly, passed 1871–'72, I have appointed W. H. Bailey, Esq., as Examiner of Corporations. His report accompanies this document, and his recommendations I heartily endorse.

I am in constant receipt of letters from the North, and elsewhere, making enquiries about the swamp lands of this State. It is my opinion that if these lands could be sold by entry, like other public lands, that they would soon be dis-

posed of; and thus, instead of being an expense, the Treasurer would soon derive an income from the taxes upon them.

There has been issued, up to the first of this month, five hundred and twenty-seven grants. These grants conveyed 48,721⅝ acres of the public lands. The table marked "A," accompanying this report, exhibits all the details connected with these grants.

I have the honor to be,

Very respectfully,

Your obedient servant,

WM. H. HOWERTON.

Secretary of State.

TABLE A.

LAND GRANTS ISSUED FROM NOVEMBER 10TH, 1872, TO NOVEMBER 1ST, 1873.

COUNTIES.	NO. GRANTS.	NO. ACRES.
Alexander,	1	16
Alleghany,	3	449½
Anson,	1	9
Ashe,	30	1,276¼
Bladen,	8	476½
Brunswick,	13	1,042
Buncombe,	5	500
Burke,	10	1,628½
Cabarrus,	1	34
Caldwell,	19	1,508½
Carteret,	7	323½
Catawba,	1	5
Chatham,	3	43
Cherokee,	31	4,387
Clay,	14	1,459¾
Cleaveland,	2	6½
Columbus,	3	210
Craven,	5	426
Cumberland,	20	1,978
Currituck,	6	402
Davidson,	1	5
Davie,	1	11
Duplin,	2	26
Graham,	1	62
Harnett,	4	137½
Haywood,	1	300
Henderson,	6	376
Hertford,	1	1⅞
Jackson,	40	4,456½
Johnston,	3	60
Lincoln,	1	5

TABLE A—*Continued.*

COUNTIES.	NO. GRANTS.	NO. ACRES.
Macon,	37	4,257
Martin,	2	93
McDowell,	24	4,533½
Mecklenburg,	1	2
Mitchell,	18	1,527
Montgomery,	8	872
Moore,	15	412
New Hanover,	18	5,208
Onslow,	18	150
Orange,	1	1,397
Pamlico,	1	49
Randolph,	1	8¾
Richmond,	1	50
Robeson,	1	75
Rutherford,	6	410¼
Sampson,	8	277
Stokes,	4	195½
Swain,	15	1,916
Surry,	18	1,271
Transylvania,	7	538
Union,	9	437¾
Wake,	3	355
Watauga,	24	1,180
Wilkes,	29	1,105
Yancey,	14	1,075½
	527	48,721⅝

RALEIGH, Nov. 1st, 1873.

HON. WM. H. HOWERTON,

Secretary of the State of North Carolina:

SIR—I have the honor to submit the following report:

I was appointed by you Examiner of Corporations in July last. Immediately after my appointment, I addressed letters to the various corporations doing business in the State, requesting them to forward statements of their financial standing, so that I could examine them in accordance with the law on the subject.

The following companies have complied with the requisition:

Ætna Life, Hartford; Bank of Mecklenburg, Charlotte; Bank of New Hanover, Wilmington; Franklin Fire, Philadelphia; Globe Mutual, New York; Bank of Statesville, Statesville; Orient, Hartford; Virginia Home, Richmond; Provident Life and Trust Fund, Philadelphia; Security, New York; Life Insurance Company of Virginia, Petersburg; Phœnix, Hartford; North Missouri, St. Louis; Old North State, Warrenton; North America, New York; St. Louis Mutual, St. Louis; Universal Life, New York; Metropolitan, New York; Widows and Orphans' Fund, Nashville; Georgia Home, Columbus; Republic, Chicago; National United States of America, Philadelphia; Westchester, New Rochelle, New York; Underwriter's Agency, including four corporations, viz: Germania, Hanover, Niagara, Republic, New York.

With all due respect to the framers of the present law, under which I act, I am compelled to give it as my mature judgment, that the law is very defective.

In the first place, no one is clothed with sufficient authority to compel obedience in making financial statements to this office. I would suggest the establishment of a distinct department, with a commissioner at the head of

it, of such acknowledged character as to command respect everywhere, and whose report would be taken as authority by the people of the State.

The funds that a man may invest in insurance for the benefit of his family, or deposit in a bank for security, are too sacred to be trusted to blind chance or capricious friendship. There should be some one to whom the public could turn with confidence, and demand of him to know whether such and such corporations are sound and doing business in a legitimate manner.

In order to attain this object, some competent man should be employed at such a remuenration as would induce men of the first ability to accept the situation, for his duties should be of such a nature as to demand scrutiny and exactness.

Without going into all the minutiæ, I would respectfully suggest that among other duties, he should once a year calculate the values of all the policies in force at that date of all life companies organized in this State, and of those companies doing business in this State from other States, where there is no insurance commissioner. He should accept the valuation made by the commissioner of the State where the company is organized.

In fire, inland and marine insurance, he should have equal power entrusted to him of calculating the status of companies doing such business, as would be a protection to insurers.

Furthermore, he should be empowered with the right to suspend the entire business of any company doing life or fire insurance in the State, that refuses or neglects to report to said officer its financial condition, within thirty or sixty days after due notice.

I further recommend the repeal of all laws on the subject of taxation of foreign corporations; and that a reciprocal law be enacted, compelling foreign corporations to pay the same taxes, and abide by the same restrictions as the States

in which such companies are chartered demand of companies organized in this State.

The commissioner should be compelled to make an annual report, to be printed in pamphlet form for general distribution; and the expenses incurred in its publication, as well as the salaries of the commissioner and his clerk, could be paid out of the taxes and fees imposed on corporations.

When we for a moment consider the magnitude of the business done in this State, we will be struck with its great importance, and no longer be willing to leave legislation in its present obscure and imperfect state. I make these suggestions in the hope that the present Legislature will give it serious consideration, and act upon it in such a way as to secure the people in their rights and property.

Very respectfully,

W. H. BAILEY,

Examiner of Corporations.

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